LNF & IHCIF Calculations Illustration
- YAKAMA in Portland area -

Given Data

- 11,654 = 1998 user count
- $2,980 = National average cost per person (not including wrap-around costs)
- 36% = % Expenditures on purchased services, 64% = % expenditures in-house
- 111.9% = Cost index for purchasing health care in this geographic area
- 100.5% = Size cost index for in-house costs due to small or large size
- 96.9% = Portland area cost index for health status above or below average

Cost Adjustment Calculations

- $1,190 per person for purchased services = 36% * 111.9% * $2,980
- $1,926 per person for in-house services = 64% * 100.5% * $2,980
- $3,116 per person total = $1,190 (purchase) + $1,926 (in-house)
- **$3,020 per person total** adjusted for health status = $3,116 * 96.9%
- **$2,275 per person net cost** = $3,020 - $745 Other resources (M&M&PI)

Existing Expenditures (for 11,654 users excluding wrap-around and collections)

- $914 per person = local IHS allowance (excludes $ for wrap-around)
- $152 per person = expenditures elsewhere in Portland area on behalf of area users
- $54 per person = expenditures elsewhere in IHS on behalf of IHS users
- **$1,120 per person for OU users** = $914 + $152 + $54

LNF Calculation

- **37.1% Gross LNF** = $1,120 (expenditures) / $3,020 total cost (ignoring Medicare, Medicaid, PI spending on behalf of OU users)
- **49.2% Net LNF** = $1,120 / $2,275 net cost ($3,020 - $745 other)

IHCIF Allocation

- $2,856,418 = $ to raise LNF% from 49.2% to 60%
- $258,040,100 = aggregate $ to raise all locations to 60%
- 3.488% IHCIF fraction = $9,000,000 fund / $258,040,100 needed
- **$99,632 Allocation** = $2,856,418 needed for 60% * 3.488% IHCIF fraction

YAKAMA Unmet Needs

- **$26,512,098 Net Total Need** = 11,654 users * $2,275 net cost
- **$13,461,257 Net Unmet Need** = (100% - 49.2% LNF) * 11,654 users * $2,275 net cost